

## ABSTRACT

The present invention is a method and system for extracting information from a received signal with minimal loss due to noise. The system comprises of a transformer, for correlating the received signal to a wavelet function and producing wavelet decomposition coefficients, and a threshold circuit, which is responsive to the received signal, for applying predetermined threshold values based on the type of signal. Also included in the system is a filter, coupled to the transformer and threshold circuit, for altering the wavelet decomposition coefficients produced by the transformer using threshold values applied by the threshold circuit to produce altered wavelet coefficients from which the received signal is reconstructed with reduced noise.